

# STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

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Via FACSIMILE and HAND DELIVERY

September 6, 2005

Jeff S. Jordan, Esq.  
General Counsel's Office  
Federal Election Commission  
999 E Street, N. W.  
Washington, D. C

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
2005 SEP - 6 / P 4: 38

Re: **MUR 5676**

Dear Mr. Jordan:

I write, on behalf of Steptoe & Johnson LLP ("Steptoe") in response to your letter dated August 18, 2005, which attached, and asked for comment on, a complaint submitted by Melanie Stone, Executive Director of Citizens' for Responsibility and Ethics in Washington. The Complaint contends that Steptoe made a "contribution" to a political committee, U.S.-Cuba Democracy Political Action Committee, (the "Committee") in the amount of \$15,262.50 by providing legal services to the Committee, billing the Committee that amount for the services and failing to make a "commercially reasonable" attempt to collect the debt when the Committee failed to pay the invoice. For the reasons set forth below, we respectfully submit that the Commission should take no further action on this complaint.

First, the Committee has paid the debt in full. I attach as Exhibit A, a copy of a check from the Committee, which was received on Wednesday, August 31, 2005 and deposited by Steptoe. The payment of the debt effectively moots the issue raised by Ms. Stone. Cf. MUR 5069/5132 at pages 10-11.

Second, Steptoe treated the Committee's debt in a manner substantially similar to the manner in which it treats debts of similar amounts with other clients. Even if it had not done so, however, or even

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Jeff S. Jordan, Esq.  
September 6, 2005  
Page 2

if it had forgiven the debt, it would not have made a "contribution" to the Committee. Section 100.86 of the Commission's Regulations provide that:

"Legal or accounting services rendered to or on behalf of any...political committee are not contributions if the person paying for such services is the regular employer of the individual rendering the services and if the services are solely to ensure compliance with the Act...."

I attach as Exhibit B a statement under penalty of perjury by Thomas M. Barba, a partner of this firm, confirming that the persons who rendered the services were regular employees of Steptoe and that the services rendered were solely to ensure compliance with the Act.

Finally, although the status of Steptoe as a government contractor is irrelevant, since Steptoe did not make a contribution to the Committee, I note that, based on a cursory review of the matter, it appears that compensation for the engagement identified by the Complaint has not been made in whole or in part from funds appropriated by the Congress.

If you have any further questions concerning this matter, do not hesitate to contact me.

Sincerely,

Jeff J. Duffy

cc: Alva DeJarrett-Miller

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## **Exhibit A**

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1415

Bank of America  
ACH R/T 063100277

63-4/630 FL  
828

US CUBA DEMOCRACY PAC  
1200 W 49TH STREET  
HIALEAH, FL 33012

8/30/2005

PAY TO THE ORDER OF Septoe and Johnson \$ \*\*15,262.50

Fifteen Thousand Two Hundred Sixty-Two and 50/100\*\*\*\*\* DOLLARS

Septoe and Johnson

MEMO

1415

Septoe and Johnson

8/30/2005

15,262.50

US CUBA DEMOCRA

15,262 50

## **Exhibit B**

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STATEMENT OF THOMAS M. BARBA

I, Thomas M. Barba, declare under penalty of perjury that:

1. I have reviewed the time records for services provided to the the U.S. Cuba Democracy Political Action Committee ("Committee") by Steptoe & Johnson LLP.
2. All of the persons who provided services to the Committee were regular employees of the firm.
3. The services were rendered solely in connection with the establishment of this federal political committee. The services consisted of the interpretation of the Federal Election Campaign Act of 1971, as amended, the creation of organizational documents, operational procedures, and legal status consistent with the requirements of the Act and other laws governing federal political committees.



\_\_\_\_\_  
Thomas M. Barba

Date: 9/6/05

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